

# AFRICA

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# Africa's Top Investment Economies

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**T**his month we look into the 2024 edition of the Where to Invest in Africa report, a comprehensive analysis of the top investment destinations on the continent, developed by RMB in collaboration with the Gordon Institute of Business Science (GIBS). According to Isaah Mhlanga, Chief Economist at RMB, the report is designed to provide insight to uncover the underlying drivers of a country's performance that inform its ranking. The report also highlights a number of trends across the various markets, and the role of innovation and economic complexity in driving growth is a central theme. Read on pp.16-17.

In this month's issue, Rehma Imrith, Managing Director, Mauritius, IQ-EQ writes about the role of gender diversity in African private markets. She says that women hold only 10% of senior positions in private equity and venture capital firms globally, and women-led enterprises collected less than 2.3% of global venture funding in 2020. More on p.13.

This month, we also spoke with Arnold A. Dublin-Green, Chief Investment Officer at Cordros Asset Management, about the firm, its investment philosophy and investment opportunities in Nigeria on pp.14-15.

Finally, Carey van Vlaanderen, CEO of ESET Southern Africa, shares her thoughts about data breaches, saying that they are a chronic and growing menace for South African enterprises and consumers. Read on p.22.

**We would like to remind you that the submissions are still open for the 9th annual Africa Service Providers Awards! This year there will be a Gala Dinner ceremony in Cape Town, South Africa on November 14. Submit your applications or nominate the best service providers at [www.agfawards.com](http://www.agfawards.com)**

**We are also supporting MNCapital Group and their 8th Africa Investment Funds and Asset Management (AIFAM) Forum, scheduled from 6th to 8th November 2024 in Kigali, Rwanda. For more info, please contact Michael Ndinisa: [michael@mncapitalgroup.com](mailto:michael@mncapitalgroup.com)**

**For more up-to-date news, analysis and insights visit [africaglobalfunds.com](http://africaglobalfunds.com) and don't forget to follow the magazine @AfricaGlobFunds on Twitter.**

**If you would like to get in touch with any comments or suggestions for future issues, please e-mail myself at [a.lyudvig@africaglobalfunds.com](mailto:a.lyudvig@africaglobalfunds.com)**

Best regards,

**Anna Lyudvig**  
 Managing Editor

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# AIF4 Closes at Hard Cap, Exceeding Fundraising Target by 50%



**Paul Frankish,**  
Head of Strategic Initiatives  
**AIIM**

**A**frican Infrastructure Investment Managers (AIIM), Africa's largest dedicated sustainable infrastructure equity manager, has announced the final close of its fourth pan-African infrastructure fund, African Infrastructure Investment Fund 4 (AIF4).

The Fund achieved its hard cap, with \$748m raised from a diverse investor base across Africa, Europe, Canada, US, Middle East and Asia with an additional \$206m approved for co-investments alongside the Fund.

AIF4's fundraising exceeded the target by 50%, achieving strong support from AIIM's existing investor base as well as new commitments from a select and diverse group of global investors.

Over half the capital came from new investors, many of whom made

commitments from DFI investors. Through its AIF4 mandate AIIM is doubling down on its commitment to tackling climate change by setting decarbonisation and energy efficiency goals and maximising emissions avoidance opportunities through renewable energy deployment for each investment.

The investors include pension funds, insurance companies, sovereign wealth funds, asset managers and family offices with 50% of commitments from DFI investors.

The Fund is also a 2X Challenge Fund through AIIM's strategies to enhance gender diversity across its investment teams and the management teams across portfolio companies.

The 2X Challenge and its criteria form the global industry standard for assessing and structuring investments that provide women with leadership opportunities, quality employment, finance, enterprise support, and products and services that enhance economic participation

and access. As the most underserved infrastructure market globally, Africa has a significant imbalance between the demand for high quality sustainable infrastructure and the supply of those services. AIF4's strategy is to focus on targeting market leading companies with primarily private sector counterparties, operating in one of our three key thematic verticals, with key secular tailwinds driving expansion potential.

**“Over half the capital came from new investors, many of whom made their first allocations to the African infrastructure sector through their commitments to AIF4, a strong show of support for the Fund's thematic strategy, its team and regional experience, as well as its high-quality cornerstone portfolio**

their first allocations to the African infrastructure sector through their commitments to AIF4, a strong show of support for the Fund's thematic strategy, its team and regional experience, as well as its high-quality cornerstone portfolio.

Paul Frankish, AIIM's Head of Strategic Initiatives, said: “Given the challenging global fundraising environment, we are delighted to have outperformed the targeted fund size. We received strong support from our existing investor base with a high level of re-ups from the supporters of our previous mandates which served to anchor the fundraising.”

“We have also seen many new investors seeking to diversify their investment allocations into new markets which they consider provide strong long-term growth potential, as well as seeking investments with well-defined sustainability and impact strategies. These investors have all sought to enter Africa, as a new market with high growth and impact potential, alongside AIIM due to our long track record in the region and strong on-the-ground local presence,” he said.

Commitments were raised from 29 investors in total, with around 25% of funds raised from institutional investors in Africa, 42% from EU

and access.

By focusing on specific markets including South Africa, Morocco, Kenya, Nigeria, Ghana, Côte d'Ivoire, Senegal and Egypt, AIIM can execute on proprietary growth opportunities for AIF4 through its on-the-ground presence in its key markets.

Olusola Lawson, AIIM's Managing Director and Co-CEO said: “In developing the strategy we have focused on key themes which provide investors with long-term growth driven by structural deficits and secular tailwinds rather than volatile macro-economic cycles. This includes digital infrastructure, to capitalize on the surge in data consumption across the continent; energy transition, to address the chronic shortage

and access.

and access.

of affordable power and the associated productivity losses for Africa's corporates; and transport, ports and logistics, to meet the demands for moving goods and people through the world's most rapidly urbanizing cities. All investments by the Fund are specifically tracked against climate, gender and governance objectives."

AIF4 achieved first close in June 2022 and has to date concluded

commitments to seven platforms, providing investors with clear visibility of the strategy and early performance for the portfolio across the target sectors.

These investments represent commitments of over 60% for the Fund. Since inception, AIFM has raised more than \$4bn over eight funds and executed more than 70 transactions in target pan-African markets.

## LAUNCHES

# ETFSA Balanced Foundation Prescient AMETF to List on JSE



**Mike Brown,**  
Managing Director  
**ETFSA Portfolio Management Company**

**E**TFSA has received the JSE approval of the first fully balanced actively managed AMETF to list on the JSE exchange.

The ETFSA Balanced Foundation Prescient AMETF, which is issued under the Prescient Manco license, allocates investment to all major asset classes: equities, both local and foreign; bonds; listed property and cash.

Mike Brown, Managing Director of ETFSA, said: "The ETFSA Balanced Foundation Prescient AMETF is designed for investors who seek a balanced approach to wealth accumulation. By blending stable income-generating assets with growth-oriented investments, both locally and abroad, it aims to achieve sustainable long-term returns, whilst mitigating downside risks."

"The fund will mirror the existing Wealth Default strategy run by ETFSA within its Retirement Annuity (RA) Fund, a fixed asset allocation strategy with scope for some flexibility, if required - hence the active component," he added.

AMETF has a multi-asset framework that conforms fully with both the Regulation 28 Requirements of the Pension Fund Act, as well as Board Notice 90 of the FSCA that applies to the exposure requirements for a Collective Investment Scheme.

The ETFSAB has an expected TER (Total Expense Ratio) of approximately 0.52% which is lower than the typical balanced unit trust. This will appeal to investors seeking a cost-effective, multi-asset portfolio selection that is readily available on the market and which can form the foundation of many investments.

The JSE trading system, together with the appointed market maker for the ETFSAB, will enable the new product to be purchased or sold at any time during the JSE trading day.

The packaging of this balanced investment portfolio solution, as a Collective Investment Scheme listed on the JSE, brings strong regulatory control, compliance, and governance to investors.

The Balanced Foundation AMETF has a fixed asset allocation strategy to various asset classes.

However in the event of regulatory changes such as Regulation 28 requirements or secular changes in markets, the asset allocation strategy can become more flexible to accommodate such events.

Gareth Stobie, ETFSA Director for Strategy and Corporate Development, commented: "This ETF compliments the work that ETFSA already fulfils within the ETF market, that of multi-manager and research leader but also as a specialised provider of clearly defined ETF portfolio solutions. Importantly, it will not impede our ability to objectively analyse the rest of the ETF market and to use all other building block products available".

A key access point for the new AMETF is the 'Investor Hub', ETFSA's own online digital platform for investors seeking to access to the ETFSA market through both a discretionary and Tax-free accounts.

"The product will form the 'default' option for our clients, particularly with a longer-term time frame, as it is strategically balanced across asset classes. It represents a core option for most investors," said Nerina Visser, ETF Strategist at ETFSA.

The AMETF will be launched in partnership with Prescient Management Company.

Kim Gibb, CEO of Prescient Manco: "We are delighted to be working with ETFSA, a firm that has been at the centre of the local ETF market development for over a decade. It further profiles our strong white label offering and this AMETF fills a structural gap in the market".

The new security will start trading from August 26, 2024, during a "ramp up" or "offering period" and will be fully invested from September 2, 2024.

As a listed security, the AMETF will be available via all JSE market participants, stockbrokers and investment platforms.

ETFSA will be holding information webinars with the well-known investment platforms like Standard Online, FNB Securities, Easy Equities and others during the offering period, to inform investors of this new investment opportunity.

## FUNDRAISING

# CLEAR Fund Achieves \$200m First Close

The Helios Climate, Energy Access, and Resilience (CLEAR) Fund has raised approximately \$200m in its first close for investment in African businesses focused on climate mitigation and adaptation.

The Fund, managed by Helios Investment Partners, intends to become the largest Africa-focused climate fund with a target size of \$400m.

Following initial catalytic backing by PIDG company InfraCo Africa and the UK's FCDO, through the MOBILIST programme, a further six leading climate investors committed to anchor CLEAR's first close: British International Investment, the UK's development finance institution and impact investor; The European Investment Bank; The Emerging Markets Climate Action Fund, advised by EIB and managed by Allianz Global Investors; The Dutch Development Bank; and The Swiss Investment Fund for Emerging Markets, advised by ResponsAbility Investments AG.

Gilles Vaes, Chief Executive Officer at InfraCo Africa (PIDG), said: "The announcement marks a key milestone for CLEAR - a Fund conceived by PIDG company InfraCo Africa, through its investment arm InfraCo Africa Investment Ltd, and Helios Investment Partners, with support from ThirdWay Partners and FCDO's MOBILIST. It is also a watershed moment for African growth businesses - and the associated infrastructure - seeking to address the climate crisis. CLEAR will unlock much-needed access to finance and exit routes for climate entrepreneurs whilst giving investors comfort that their investments will generate the growth they expect and support global efforts to address climate change, in line with the PIDG strategy, which was launched in 2023.

Christopher Chijiutomi, Managing Director and Head of Africa at BII, added: "We are delighted to once again partner with Helios Investment Partners to support the growth of African companies. As the UK's development finance institution, this investment also reinforces BII's commitment to supporting Africa's green transition. Mobilising much-needed private capital into green sectors through this Fund will help to drive innovation and create new opportunities, contributing to a resilient and prosperous future for Africa."

Helios, which is the largest Africa-focused private investment firm, will begin investing the capital with immediate effect.

The Fund's ambition is to support and scale African climate champions, focusing on five key areas: Green energy solutions; Climate-smart agriculture & food; Green mobility and logistics; Recycling and resource efficiency; and Digital and financial climate enablers.

Research commissioned by MOBILIST shows that sub-Saharan Africa's renewable energy market already represents a potential investment opportunity of \$193 billion by 2031.

Despite the scale of the opportunity, the International Renewable Energy Agency estimates that Africa currently attracts only 3% of global energy investment.

Ross Ferguson, who leads the MOBILIST programme at the FCDO said: "Africa must overcome a significant climate financing gap to realise its climate transition and MOBILIST will act wherever there are opportunities to unlocking climate and development finance, including through faster reform of the global financial system. As such, FCDO, through MOBILIST, is proud to partner with Helios Investment Partners, one of Africa's foremost private equity managers with deep expertise in creating secondary market liquidity for investors in Africa, including through Helios Towers and Vivo Energy. Joining MOBILIST and InfraCo Africa Investment Ltd, a powerful consortium of development finance practitioners is now anchoring this landmark fund to mobilise commercial capital toward addressing Africa's climate mitigation and adaptation needs.

Anneliese Dodds, UK Minister for Development, said: "This Government is determined to restore the UK's reputation as a world leader on climate. We need to act now to avoid further environmental devastation that will fuel illegal migration, conflict, and famine across the world. The UK-supported CLEAR Fund is a first of its kind to invest in mid-sized African companies seeking to avoid and reduce carbon emissions, helping people to become more resilient and to adapt to the climate crisis. It is a great example of how UK innovation is helping to mobilise climate finance for Africa, enabling businesses on the continent to deliver climate-friendly solutions. It's one more step towards realising our mission of a world free from poverty on a liveable planet."

## DEALS

# Mergence Invests R160m in Solarise Africa

Mergence Investment Managers has invested R160m in Solarise Africa, an energy-as-a-service company for businesses across Africa.

This funding will be instrumental in advancing the deployment of Commercial & Industrial (C&I) scale renewable energy solutions across South Africa.

Mosa Molebatsi, Senior Investment Associate at Mergence Investment

Managers, said: "This ongoing demand makes companies like Solarise Africa an attractive investment option, highlighting the resilience and growth potential of the C&I sector."

"We are excited to support Solarise Africa in their expansion efforts. This partnership reflects our commitment to investing in sustainable projects that provides both environmental and economic benefits."

The announcement marks a significant milestone in Solarise Africa's

mission to promote sustainable energy development within the region.

The introduction of a local debt, as well as mezzanine facility will enhance the company's ability to increase its industry profile and further its impact on renewable energy adoption.

Jan Albert Valk, Co-Founder and CEO of Solarise Africa, commented: "Despite a recent decline in residential solar uptake in 2024, largely due to a reduction in load-shedding, the C&I solar market in South Africa continues to thrive."

"Businesses continue to invest in renewable energy solutions not only to safeguard against an unreliable grid, but also to lower electricity costs and demonstrate a commitment to sustainability and climate action."

"This facility allows us to accelerate our growth and reach more

businesses in need of reliable, clean energy solutions. It's a testament to the growing confidence in renewable energy in South Africa and our role in this transformative journey," he added.

PSG Capital, supported by Viruni Capital Partners, advised on the acquisition of the funding which will primarily be used to finance the installation and expansion of solar energy systems for commercial and industrial clients, helping to reduce energy costs and carbon footprints while promoting sustainable practices.

Khaya Hlophe-Kunene, Director at PSG Capital, said: "We are proud to have played a role in facilitating this partnership, which aligns with our focus on supporting innovative energy solutions in South Africa and the rest of the African continent."

## DEALS

# Pepea Makes First Investment in Gaea Foods



**Anne Ngugi,**  
Senior Investment Manager  
**Goodwell**

**P**epea, an impact investment fund from Oxfam Novib managed by Goodwell Investments, has made its first investment into Gaea Foods, a potato-processing company targeting the B2B market, based

in Nairobi, Kenya.

The fund is investing in Gaea in the form of venture debt, providing working capital to allow the company to better meet demand from new and existing customers.

"Gaea Foods is a showcase for Pepea's 'fair, green and inclusive' investment mandate. The company is led by a female founder and 70% of the company's staff are women. Gaea has an established supply chain

that female entrepreneurs are more likely to create a gender-balanced workforce and provide decent work conditions for their staff. By investing in Gaea, a company that is female-owned, Pepea is not only supporting these values, but is also improving local value chains and empowering smallholder farmers."

Gaea Foods was founded in 2009 by CEO and Managing Director Irene Mwangi, who has over 20 years of experience in the potato processing sector and strong connections throughout the industry, from B2B buyers to potato farmers and aggregators.

She runs the company with two other directors, including her sister Roseanne Wanjiku, who oversees the company's waste management and bioconversion processes.

Managing Director Irene Mwangi commented: "My entrepreneurship journey started two decades ago and has been very dynamic ever

**"The company (Gaea Foods) is led by a female founder and 70% of the company's staff are women. Gaea has an established supply chain of small-holder farmers across Kenya, and practices sustainable waste management practices like converting potato peelings into fertilizer and animal feed"**

Anne Ngugi, Senior Investment Manager at Goodwell

of small-holder farmers across Kenya, and practices sustainable waste management practices like converting potato peelings into fertilizer and animal feed," said Anne Ngugi, Senior Investment Manager at Goodwell.

Tamara Campero, Investments Manager at Oxfam Novib, added: "We are excited to announce our first investment! A year ago, when we introduced Pepea, we emphasized the fund's focus on green, gender-forward investments. Our Impact SME Development Program has shown

since. This investment gives Gaea Foods the ability to keep evolving and source from more smallholder farmers. The work we do allows us to contribute to developing the economy, create jobs and improve the farmers' quality of life. We are looking forward working closely with Goodwell and Oxfam Novib to benefit from their knowledge and expertise in SME development."

While Gaea initially traded in whole potatoes, the company later

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transitioned into processing, supplying peeled and cut potatoes to leading fast-casual restaurants in the Nairobi area, including Steers and Nando's.

Every step of the way, Gaea has demonstrated a strong commitment to making a positive impact.

The investment from Pepea will enable Gaea to further grow their business, including doubling their workforce from 20 to 40 employees in the coming year.

Because the fund focusses on investing in female leaders with the aim of contributing to a more equitable and inclusive ecosystem, the

Pepea team is especially pleased that the fund's first investment is going to a female-led and female-owned company.

Launched in 2023, Pepea caters to the specific needs of early-stage companies in East Africa by investing in businesses that struggle to secure finance from banks and investments funds to accelerate their growth.

Aimed at small- and medium enterprises (SMEs) with high potential to create positive impact, the €20m fund leverages the complementary strengths of Oxfam Novib and Goodwell Investments to support young companies that are contributing to a greener, fairer, and more inclusive society.

## EXITS

# Adenia Capital III Makes Final Exit



**Bart Willems,**  
CEO  
OMO Group

**A**denia, a private equity firm focused on growth opportunities in Africa, has finalized the sale of its 100% equity stake in OMOA Group (OMO) to SPE Capital, a private equity firm focused on the Middle East and Africa.

The sale of OMOA is the eighth and final exit from Adenia's €96m fund Adenia Capital (III), which is now fully liquidated.

"Today, OMOA benefits from strong recognition across its markets, not only as an ATM distributor, but as a strong strategic partner for banks through the provision of tailor-made solutions across the entire payment value chain," said Christophe Scalbert, Partner at Adenia.

"Our journey with OMOA epitomizes what Adenia delivers through its majority ownership strategy: strong value creation through strategic repositioning, bold investment strategies and firm alignment with all stakeholders. We are confident that SPE will provide valuable support for OMOA's talented teams as the company enters the next phase of its growth. We are also thrilled to complete the final exit from our third fund," he said.

Founded in 1999, OMOA is an integrated service provider for the payments industry in West and Central Francophone Africa.

OMOA provides a comprehensive range of services throughout the payment value chain, including ATM Installation, ATM maintenance and software solutions, as well as processing and card personalization.

OMOA serves a wide range of banks and microfinance institutions across 11 countries, employing 150 people.

Since acquiring OMOA in 2012 through its Adenia Capital (III) fund, Adenia has implemented a series of strategic value creation initiatives to transition OMOA's business model towards more value-added services.

This included the upgrade of its ATM offering, the development of new

maintenance capabilities and the establishment of a unique processing and card personalization center in Lomé, Togo, which meets the highest industry standards.

Adenia also recruited a new senior management team to support this growth strategy, institutionalize the company's governance, strengthen its processes and implement its ESG action plan.

"Embracing and supporting the digitalization of the African payment landscape has been key to protect and consolidate our leadership position," said OMOA CEO Bart Willems.

"We now define ourselves as a Full Digital Payment Provider with a broad range of digital payment services and new, innovative, multifunction ATMs in collaboration with our historic partner NCR Atleos. Adenia's support has been instrumental to deliver on our strategy and we strongly believe SPE will help us bring OMOA to new heights."

"This is the first investment from our newly raised private equity fund, SPE PEF III, LP, and we are looking forward to contributing to further enhance OMOA's leadership position in the region and execute on its transformational growth plans," commented Stéphane Heuzé, Managing Partner at SPE.

"We are very excited to invest alongside Bart Willems and the entire team to consolidate OMOA's position as a Full Digital Payment Provider, as well as support its ambitious development plans into payments processing, leveraging on the investments made over the last few years," added Tarek Lababidi, Partner at SPE.

Adenia Partners was advised by Lazard (financial advisor), Asafo & Co (legal lead advisor), Deloitte (financial and tax advisors), Edgar, Dunn & Company (strategic advisor), CMS Francis Lefebvre (legal and tax advisor).

SPE Capital was advised by DLA Piper (legal lead advisor), FIME (strategic advisor), KPMG (financial and tax advisors), IBIS (ESG advisor), Deloitte (BI advisor), and AXA Climate (Climate advisor).

## DEALS

# Sango Capital Takes Majority Stake in Synergy Private Equity Fund

**S**ango Capital has acquired a majority of the Limited Partner interests in Synergy Private Equity.

Synergy Managers (Mauritius) Limited will continue as the General Partner (GP) of the Fund, whilst Sango will support the GP in value creation- and liquidity initiatives.

“This first transaction of its kind in Africa forms part of Sango’s strategy to provide innovative investment solutions to investors in African private equity. We remain active across the full life cycle of private equity funds, which includes primary commitments, secondary fund purchases, and end-of-life and tail-end fund solutions. We are particularly pleased that the transaction we have just concluded has been achieved with the collaboration of the majority of the Fund’s investors as well as the GP, who collectively recognize the value of consolidating LP interests in the Fund,” said Richard Okello, founding Partner of Sango.

“This transaction is a testament to the strong partnerships that we

have built over time.”

Christian Roelofse, Director at Sango who leads the special situations & portfolio solutions business, added that “The African Private Equity ecosystem is in need of alternative liquidity solutions and Sango is well placed to partner with GPs and LPs alike to address portfolio needs.”

Sango has been a Limited Partner in the Fund since it launched in 2014 and also made one co-investment with the Fund in 2015. “Whilst most of the portfolio companies are in active exit or liquidation mode, some of the investments still have value creation potential,” said Roelofse.

Ayodele Arogbo, Partner at Synergy, commented: “We are pleased that this transaction has now closed, as it enables the GP to work with a streamlined group of LPs at this critical stage in the life of the fund. The additional support in value creation and access to liquidity will be of immense benefit as we work towards the exit and liquidation of the assets remaining in the portfolio.”

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## Proparco Backs Amethis Fund III

**P**roparco has announced a \$20m investment in the Amethis Fund III (AF III) managed by Amethis, aiming to support African medium-sized companies that provide quality goods and services on the continent.

Proparco is delighted to be working with a long-standing partner, Amethis, with whom we share many values and a common commitment to the sustainable and inclusive economic development of the African continent. Proparco's investment in Amethis Fund III will support African entrepreneurship, particularly among women, and quality employment, in line with our strategic ambitions, in particular the reduction of socio-economic and gender inequalities," Françoise Lombard, Managing Director of Proparco, said.

Founded in 2012, Amethis is a pan-African private equity platform that has raised over €1bn since its inception, from a diverse investor base: private, family and institutional as well as development finance institutions.

Proparco is a long-standing partner of Amethis, with several investments in the Amethis Fund II, Amethis MENA Fund II and co-investments in two companies: Mecer in Mozambique and Netis in Sub-Saharan Africa.

Amethis promotes the development of quality goods and services to African populations and the improvement of the social and environmental (E&S) performance of its portfolio companies, with a particular focus on gender equality, reducing inequality, insurance cover for employees and climate efficiency.

The AF III fund will support the development of medium-sized African companies, thereby contributing to the development of local production capacities.

The project will contribute to the creation of quality jobs: 18,000 jobs should be supported in the long term.

Through its commitment to reducing gender inequality, Amethis has joined the 2 X Challenge, which promotes female leadership and employment, and is working with a majority of its portfolio companies to increase the proportion of women in the workforce and in management teams.

"Amethis is proud to count Proparco among its long-standing supporters. This new investment will enable us to further our shared goal of sustainable and inclusive growth in Africa and positively impact the communities we serve," commented Luc Rigouzzo and Laurent Demey, Managing Partners of Amethis.

### INVESTORS

## AfDB's SEFA Backs KawiSafi II Fund

**T**he African Development Bank Group has approved a \$10m junior equity investment in the KawiSafi II Fund to help local businesses create and expand climate projects that aid vulnerable communities.

The approved financing will be deployed from the Sustainable Energy Fund for Africa (SEFA), a catalytic financing facility managed by the Bank Group.

João Duarte Cunha, Manager of the Bank Group's Renewable Energy

Africa.

It includes a \$10m technical assistance facility to maximise climate impact and ensure better management of environmental, social, and governance risks.

KawiSafi II is a follow-on from KawiSafi Fund I, a \$67m off-grid energy fund established in 2016, which benefited from a strong sponsor, Acumen Fund.

Acumen has over 20 years of experience investing in transformational

**"The KawiSafi Fund II presents an opportunity to avail more venture and growth capital to emerging businesses linked to energy access and energy transition, at a time when such capital is most needed in the market"**

João Duarte Cunha, Manager of the Bank Group's Renewable Energy Funds Division

Funds Division, which oversees SEFA, said: "The KawiSafi Fund II presents an opportunity to avail more venture and growth capital to emerging businesses linked to energy access and energy transition, at a time when such capital is most needed in the market."

KawiSafi II is a \$200m venture equity fund to address investment gaps in energy transition, productivity, mobility and logistics in sub-Saharan

companies to solve global poverty challenges, including in the renewable energy space.

The African Development Bank's investment through SEFA in KawiSafi II demonstrates its ongoing commitment to promoting a just energy transition and combating climate change via strategic partnerships with the private sector and investments in innovative solutions.

KawiSafi Fund I successfully invested in companies such as D.light Bboxx, and BioLite, among others.

“The African Development Bank's investment into KawiSafi II, our innovative climate fund, is catalytic for helping us reach a first close and attract the significant private capital that is urgently required to support Africa's climate innovators,” said Amar Inamdar, Managing

Director of KawiSafi Ventures.

“As the leading development finance institution on the continent, the Bank's catalytic commitment will leverage investments into breakthrough African start-ups addressing climate change through renewable energy, clean mobility, and other key sectors crucial to achieving our climate goals.”

## MARKETS AND INDUSTRY NEWS

# AfDB Forecasts Growth for Madagascar of 4.5% in 2024



**Adam Amoumoun,**  
Country Manager for Madagascar  
**African Development Bank**

**T**he African Development Bank Group's Country Report 2024 forecasts vigorous economic activity for Madagascar, with expected growth of 4.5% in 2024, climbing to 5.3% in 2025.

Growth on the Grande Île was 4.4% in 2023,

compared with 4.3% in 2022.

The report, entitled “Driving change in Madagascar by reforming the global financial architecture”, was published in Antananarivo by the Bank's Country Office in conjunction with the government of Madagascar, on Wednesday July 31, 2024. Government representatives, including the Minister of the Environment and Sustainable Development, Max

advantage of new opportunities by diversifying the available funding sources, improving lending conditions and making it easier to access innovative financing, to accelerate its development.

“The theme of the Country Report 2024 is in line with the objective of the Bank's Country Strategy Document 2022-2026 for Madagascar, which is to speed up the structural transformation of the economy, backed by industrialization to create decent, green jobs,” commented Adam Amoumoun, the Bank's Country Manager for Madagascar. “The mid-term review of the Country Strategy Document, which took place in May 2024, showed that the results achieved were satisfactory. The African Development Bank will build on these over the remaining period of the strategy to contribute to accelerating the country's structural transformation,” he emphasised.

**“The theme of the Country Report 2024 is in line with the objective of the Bank's Country Strategy Document 2022–2026 for Madagascar, which is to speed up the structural transformation of the economy**

Adam Amoumoun, the Bank's Country Manager for Madagascar

Andonirina Fontaine, the chief of staff of the Minister of the Economy and Finance, Florence Andrianaivohery and others from the public authorities, the private sector, civil society and development partners of the Grande Île, all contributed to wide-ranging and constructive discussions around the report.

Kevin Chika Urama, Chief Economist and Vice-President of the African Development Bank Group, responsible for Economic Governance and Knowledge Management, spoke by video message. He emphasised the importance of country reports, which shed light on national policies and feed into political dialogue between the authorities and the private sector and development partners on structural transformation. He also highlighted the necessity of reforming the global financial architecture to contribute to faster structural change in Madagascar.

Andrianaivohery, for her part, commented that a fundamental reform of the global financial architecture could help her country to take

Minister Max Fontaine stressed that Madagascar still has significant climate funding needs and it is important for the Bank to support the country in preparing projects and mobilizing finance from green funds.

Following the presentation of the report by the Bank's Country Economist for Madagascar, Hamaciré Dicko, the discussions turned to macroeconomic performance and prospects, tools for promoting strong and resilient growth, progress on the structural transformation of Madagascar and reforms of the global financial architecture.

The Director of Monitoring and Evaluation at the Ministry of the Economy and Finance, Marilyns Victoire Razakamanana, who acted as moderator, summarized the discussions with an emphasis on the need to increase climate funding for Madagascar.

On July 31, 2024, the African Development Bank Group's active portfolio in Madagascar comprised 18 operations, amounting to a total of \$1.16bn.

# THE ROLE OF GENDER DIVERSITY IN AFRICAN PRIVATE MARKETS



By Rehma Imrith, Managing Director, Mauritius, IQ-EQ

**G**lobally, 69% of the top-performing funds have general partners who are women, and 65% of institutional investors consider gender diversity a key criterion when investing. Research

by the International Finance Corporation found that gender-diverse fund management teams deliver an incremental 10-20% in net IRR returns compared to non-diverse teams. Women funders are also two times more likely to invest in start-ups with one woman founder, and three times more likely to invest in a woman CEO.

These statistics suggest the investment industry is at the forefront of diversity and inclusion. However, the reality paints a very different picture. Women hold only 10% of senior positions in private equity and venture capital firms globally, and women-led enterprises collected less than 2.3% of global venture funding in 2020.

These figures reflect a troubling reality – one where immense economic potential is being left untapped due to persistent gender biases and systemic barriers. The McKinsey Global Institute estimates that as much as 26%, or USD 28 trillion, could be added to the annual global GDP in 2025 if women were to participate in the economy at an equal level as men. Unfortunately, there are several barriers and biases preventing women from fully capturing the opportunity to participate as leaders who allocate and receive investment capital.

## OVERCOMING BARRIERS AND BIASES

Addressing the systemic challenges that limit women's access to funding, networks, and resources requires a concerted effort from industry stakeholders, policymakers, and the broader ecosystem. The 2024 United Nations theme for International Women's Day (IWD), **Invest in Women: Accelerate Progress**, is a powerful call to action that resonates deeply with the challenges faced by women entrepreneurs and investors in Africa's private markets.

In emerging markets like Africa, the barriers faced by women in investment are even more pronounced. Only 10% of private equity and venture capital fund managers globally are women, and in 2017, women made up just 12% of senior investment professionals within fund management firms in sub-Saharan Africa.

However, there are also promising signs of progress. The 2X Challenge,

launched in 2018 by a group of development finance institutions, has committed over \$10 billion to investments that meet its gender-lens criteria. One notable example is the Alitheia IDF fund, which has invested in several women-led businesses in West Africa and achieved a 25% net IRR in its first fund.

## DIVERSITY AS A COMPETITIVE EDGE

Firms that embrace diversity and inclusion not only do the right thing but also gain a competitive edge. A study by Boston Consulting Group found that diverse management teams generate 19% more revenue due to innovation. Companies in the top quartile for gender diversity on executive teams are 25% more likely to experience above-average profitability. In the private markets industry, diversity can be a particularly powerful differentiator, as limited partners increasingly prioritise it when allocating capital.

This year's IWD theme underscores the urgency of directing resources, policies, and strategies toward empowering women as leaders, innovators, and decision-makers in Africa's private markets. Bridging the digital gender divide and leveraging technology will be crucial to accelerating progress.

## THE PATH FORWARD

As a global investor services provider, IQ-EQ recognised the need to support the development of diverse fund managers, including women, in Africa. We launched IQ-EQ Launchpad to provide preferential service terms, access to a global network, and tailored support for first-time female fund managers. Through Launchpad, we have had the opportunity to work with several impressive women who are launching their own investment funds in Africa.

While the challenges are significant, there are reasons to be optimistic about the future of gender diversity in private markets. Increased regulatory scrutiny, growing LP demand, and initiatives like the 2X Challenge and IQ-EQ Launchpad are all contributing to positive change.

As we commemorate Women's Day in August and IWD in South Africa this month under the theme of 'Invest in Women: Accelerate Progress', let us heed the call to action and take bold steps to channel resources, build partnerships, and drive systemic change. The rewards of doing so extend far beyond the private markets – they reach the heart of creating a more equitable, prosperous, and just world for all.

# MEETING WITH CORDROS ASSET MANAGEMENT



Africa Global Funds's Anna Lyudvig spoke with **Arnold A. Dublin-Green, Chief Investment Officer at Cordros Asset Management**, about the firm, its investment philosophy and investment opportunities in Nigeria

**ANNA LYUDVIG (AL): PLEASE TELL US ABOUT CORDROS.**

**ARNOLD A. DUBLIN-GREEN (AD-G):** Founded in 2007, Cordros Capital

Ltd is a leading financial services firm, which registered as an issuing House, Brokers/Dealers, Fund/Portfolio Manager, Supplemental Market Maker and Fixed Income Market Maker by the Nigerian Stock Exchange (NSE) and Securities & Exchange Commission (SEC).

Cordros Asset Management Limited (CAML) is a wholly-owned subsidiary of Cordros Capital Limited and licensed by the Securities & Exchange Commission as a Fund/Portfolio Management Company with over 15,000 investors.

**AL: WHAT ARE YOUR INVESTMENT CAPABILITIES?**

**AD-G:** With a combined experience of over 50 years. The team comprises of Investment professionals across Investment Management, Research and Risk Management. Our funds include:

#### **Cordros Money Market Fund**

A Nigeria Focus Money Market Fund that invests in Naira money market and near cash instruments. The fund's strategy is tailored to positively perform in all market conditions generating consistent returns through investment decisions based on in-depth research analysis, thorough due diligence and continuous assessment of specific investments that offer the best prospects in the short term.

#### **Cordros Milestone Fund**

A balanced Fund, consisting of Nigerian Equities and Fixed Income. The fund strategy is to change asset allocation overtime, shifting the asset classes towards a more conservative investment strategy as the target date approaches to match the need for lower risk in the fund. Overall, the scheme invests in growth seeking assets in the early years; thereafter investing more in capital-preservation assets in the latter years.

#### **Cordros Dollar Fund**

The fund focuses on medium to long term value creation and wealth protection for USD Investors. We seek to achieve capital appreciation in the medium to long term for investors with USD and designed to deliver significantly higher returns than what is obtainable from the average domiciliary account in the local banks.

#### **Cordros Fixed Income Fund**

A local currency Fixed Income Fund. The investment philosophy focuses on medium-long term value creation and wealth protection and the need to meet redemption obligation while making investment decisions

based on the continuous assessment of the market and specific investments that offer competitive prospects for the duration of the Fund.

#### **Cordros Halal Fixed Income Fund**

The Fund seeks to provide investors with a low-risk investment with stable and competitive returns through investments in short, medium and long-term Shariah-Compliant fixed income securities and investment products, whilst ensuring the preservation of capital.

**AL: WHAT'S YOUR INVESTMENT PHILOSOPHY?**

**AD-G:** We generally follow an investment philosophy that emphasizes on long-term value creation, rigorous research, and a client-centric approach. Our philosophy often revolves around the following key principles:

**1. FUNDAMENTAL ANALYSIS:** We place a strong emphasis on thorough research and fundamental analysis. We focus on understanding the intrinsic value of investments, often looking for undervalued and growth opportunities in the market.

**2. RISK MANAGEMENT:** We prioritize managing risks effectively by diversifying portfolios and adhering to disciplined investment processes. This approach is designed to protect clients' capital while seeking growth opportunities.

**3. CLIENT-CENTRIC APPROACH:** We are known for tailoring our investment strategies to meet the specific needs and goals of our clients. We focus on delivering personalized solutions that align with the unique objectives of each client.

**4. LONG-TERM FOCUS:** We favor long-term investments, believing that value is created over time through disciplined investing. We often take a patient approach, allowing investments to mature and deliver returns.

Our Investment philosophy is designed to balance growth and risk, aiming to deliver consistent, long-term returns for their clients.

**AL: WHERE DO YOU SEE INVESTMENT OPPORTUNITIES IN NIGERIA?**

**AD-G:** Nigerian banks remain attractive due to their strong fundamentals and current cheap valuation compared to emerging market peers. The sector is poised to benefit from the ongoing recapitalization efforts, which are expected to bolster financial stability and enable strategic expansions. These measures are likely to enhance profitability. While the newly imposed 70% windfall tax on realized forex gains introduces an additional layer of complexity, it is important to note that our fundamental valuations did not factor in these gains in the first place. Thus, the intrinsic value and growth potential of the banking sector remain compelling.



Agriculture, export-oriented palm oil companies stand out as clear winners. These companies thrive in a weaker Naira environment, turning currency devaluation into a competitive advantage. The depreciation of the Naira boosts their export margins, making Nigerian palm oil more attractive on the global stage while inflating local currency revenues. Their ability to capitalize on global demand for palm oil, combined with advantageous exchange rates, positions them for significant growth. Moreover, their strong operational efficiencies and resilient business models make them not just survivors, but potential outperformers in the consumer goods sector.

Nigerian Treasury bills cannot be any cheaper. Largely driven by a combination of factors, currency devaluation and the broader macroeconomic challenges facing the country. The recent devaluation

undervalued compared to their emerging market peers. On the one hand, this can be seen as a reflection of the idiosyncratic malaise the country has endured but as Nigeria turns around, this presents growth opportunities, particularly in sectors like banking, technology, and telecommunications, driven by improved corporate earnings and investor confidence. However, inflation and regulatory challenges remain key risks. Nigerian T-bills being historically cheap and attractive, local investors may continue to favor short-term fixed income instruments. The bond market is also likely to remain liquid and active as institutional investors seek to lock in higher yields. It is expected to continue offering attractive yields, supported by government borrowing and expanding corporate bond issuance. Investors will need to balance the high yields with potential risks such as inflation and currency

## “Our Investment philosophy is designed to balance growth and risk, aiming to deliver consistent, long-term returns for their clients

of the Naira allows investors to enter at a reasonable price. This scenario also signals that Nigeria may be at an inflection point. As the government and monetary authorities implement reforms aimed at stabilizing the economy, improving FX liquidity, and addressing inflationary pressures, there is potential for a revaluation of assets, including T-bills. Investors who recognize the current environment as an opportunity to lock in these historically high yields could benefit significantly as the market adjusts and Nigeria moves towards a more stable economic trajectory.

### **AL: WHAT'S YOUR OUTLOOK FOR THE NIGERIAN CAPITAL MARKETS?**

**AD-G:** The Nigerian equities market is expected to see moderate growth in the near to medium term, driven by a combination of improving macroeconomic conditions, increased foreign exchange liquidity, and a gradual return of investor confidence. Most stocks are deeply

volatility as they navigate the Nigerian capital markets.

### **AL: WHAT'S YOUR COMPANY'S RECENT ACHIEVEMENTS?**

**AD-G:** Our achievements include:

- Leading Presence in Key Segments of the Nigeria's Financial Services Sector
- 6 Subsidiaries Across the group
- Over 15,000 clients across the group
- 2023 Fund managers rating of A- by Augusto & Co.

### **AL: VWHAT CAN WE EXPECT FROM CORDROS IN THE NEAR FUTURE?**

**AD-G:** Africa expansion, General Emerging Market (GEM) strategy, Infrastructure and Private Credit strategies as we create alternative assets for our clients.

Arnold A. Dublin-Green is the Chief Investment Officer of Cordros Asset Management Ltd overseeing multiple investment products and solutions. He has over 16 years of experience in diverse capital market, in the finance industry. In his four years in Europe he majored in Securities and Derivatives trading before expanding his career into Africa.

He was a Director and Head of global markets at Apakan Securities in Ghana

covering multiple asset classes as well as business development strategies. Earlier, he was a Senior Vice President in Ecobank Asset Management, where he was a Senior Portfolio Manager on the Middle Africa Fixed Income and Currency trading desk. He also worked as the Head of Execution in African Alliance in Johannesburg, as well as a co-Portfolio Manager at Nubuke Investments in London, Managing over \$120m in a Pan African focused Strategy.

# RMB's Report Highlights Africa's Top Investment Economies

By Africa Global Funds



**Issah Mhlanga,**

Chief Economist

**RMB**

**R**MB has released the highly anticipated 2024 edition of its *Where to Invest in Africa* report, a comprehensive analysis of the top investment destinations on the continent.

The report, which has been developed in collaboration with the Gordon Institute of Business Science (GIBS), leverages a robust methodology that has been updated to reflect new data sources, taking into account a variety of factors that have been proven to determine a country's progress and therefore its investment potential.

"Africa is not a country, but a vast, diverse and complex continent with different cultures, economies and investment potential. Our report

The model is constructed from 20 metrics across four measurement pillars: economic performance and potential; market accessibility and innovation; economic stability and investment climate; and social and human development. Each metric is weighted, which translates into a weight for each pillar, and based on these metrics a standardised scorecard is produced, with rankings that enable effective comparison across Africa's complex and heterogeneous environment.

#### AFRICA'S TOP FIVE INVESTMENT DESTINATIONS

Combining these elements results in a ranking across the 31 countries measured. The results of the report show that the two small island economies of Seychelles and Mauritius rank first and second as the most attractive investment destinations on the continent, while the

**"Methodology used for this edition of the *Where to Invest in Africa* report builds and expands on previous editions, taking into account new data sets as well as changing geopolitical and macroeconomic climates"**

therefore is not a definitive guide, but rather it is designed to provide insight to uncover the underlying drivers of a country's performance that inform its ranking. This offers invaluable insights for investors, policymakers, and business leaders looking to navigate Africa's dynamic economic landscape," says Issah Mhlanga, Chief Economist at RMB.

#### EXPANDED DATA, EXTENDED GRANULARITY

Investment decisions need to be viewed through both an economic performance lens and an operating environment lens. As a result, the methodology used for this edition of the *Where to Invest in Africa* report builds and expands on previous editions, taking into account new data sets as well as changing geopolitical and macroeconomic climates.

The scorecard for the 2024 issue highlights 31 countries that collectively represent 92% of the continent's economic activity (measured by GDP), and more than one billion people (three quarters of the continent's population). It draws on publicly available data sets from global institutions, including the World Bank, the IMF, the African Development Bank, the United Nations, and the International Labour Organisation.

significantly larger economies of Egypt, South Africa, and Morocco rank in third, fourth and fifth places respectively.

Seychelles leads the rankings thanks to high levels of personal freedom, human development, and a stable economic environment. Seychelles offers a unique and attractive investment climate. Despite scoring lower on economic size and potential, Mauritius is known for innovation, economic freedom, and high GDP per capita. It continues to be a top destination for investors seeking stability and growth opportunities in a well-regulated environment.

Egypt represents Africa's largest economy by GDP (2023), offering a substantial market with diverse opportunities in sectors like technology, manufacturing, and services. Its strategic location and economic complexity further enhance its attractiveness. Despite facing significant challenges, South Africa remains a crucial hub for investment in Africa. Its robust financial sector, diverse economy, and potential for infrastructure development make it a key player. Finally, Morocco's strong performance in connectedness, innovation, and economic stability positions it as a top investment destination. Its strategic proximity to European markets adds to its appeal.

### DISTILLING DIVERSITY – INVESTMENT ARCHETYPES EXPLAINED

Africa is an incredibly diverse continent, and no two markets are the same, which means there is no such thing as a universal success story. However, when we zoom out and view nations through the lenses of size and the relevant investability score, it becomes apparent that they fall into distinct groupings with shared traits. The 2024 edition of *Where to Invest in Africa* suggests five potential investment archetypes based on shared characteristics revealed through the four measurement pillars.

'Highflyers' represent the large, well-established economies that offer stability and a range of investment opportunities, such as Nigeria, South Africa, Egypt and Ethiopia. Those 'Cleared for Take-off' are countries with high economic growth and innovation potential thanks to factors like a young population and abundant resources, including Senegal and Côte d'Ivoire. 'People Potential' are markets with a young and growing demographic, creating a sizeable consumer base and a future workforce, such as Kenya, DRC and Uganda. 'Global Connectors' are more advanced economies with a strong international presence, such as Morocco, Mauritius, Tunisia and Seychelles. 'Low-Base Boomers' are smaller markets with high potential for explosive growth but a corresponding higher degree of risk, including Rwanda, Mozambique, and Benin.

### ADDITIONAL INSIGHTS UNPACKED

The report also highlights a number of trends across the various markets, and the role of innovation and economic complexity in driving growth is a central theme. Countries such as South Africa, Kenya, and Ghana are noted for their strides in technological innovation and diversification of their economic bases, making them attractive destinations for investment.

The African Continental Free Trade Agreement (AfCFTA) holds significant potential for boosting intra-African trade, enhancing economic integration, and creating a more competitive continental market. Effective implementation of the AfCFTA is expected to drive economic growth and development across the continent. Africa's young and rapidly growing population also presents a unique opportunity for economic growth, with countries like Ethiopia, Tanzania, and Uganda poised to benefit from this demographic dividend, provided they can create sufficient employment opportunities and foster a conducive environment for economic participation.

In addition, there are a number of emerging markets with significant growth potential, including Nigeria, Ghana, and Kenya. Despite facing challenges such as political instability and infrastructural deficits, these countries offer substantial opportunities due to their large and youthful populations, improving business climates, and diversification efforts. Africa's vast natural resources, including minerals and arable land, are pivotal for sustainable economic growth. However, the report cautions against the "resource curse" and underscores the importance of good governance and strategic management. Angola, Mozambique, and the Democratic Republic of Congo are highlighted for their rich resources and potential for sustainable development.

One area that requires critical attention across the continent is the need for infrastructure investment. Improved transportation, energy, and digital infrastructure are essential for unlocking Africa's economic potential, and South Africa, Kenya, and Nigeria are identified as key markets where infrastructure development could yield significant returns.

### BEYOND THE RANKINGS – A DEEPER LOOK AT AFRICAN INVESTMENT

Looking beyond metrics and scorecards, Africa holds massive potential but equally faces numerous challenges. The continent is rich in natural resources, which can be a major driver of economic growth, but they also present challenges in the form of corruption and environmental degradation. Increased activity around trade agreements can open new markets for foreign investors and boost economic activity, but lack of adequate infrastructure is a major hurdle for many African economies. Investment in this space will improve connectivity and create new opportunities, while rapid and increasing urbanisation will prove attractive to investors in consumer goods, retail, and financial services. Finally, countries in Africa are embracing new technologies, leapfrogging traditional development stages and creating new investment opportunities in the tech sector.

"The richness of Africa's diversity makes fully analysing its nuance and contrast a challenging task, but an important one when it comes to understanding the varied markets that make up this vast regional economy. The 2024 RMB *Where to Invest in Africa* report aims to develop a balanced, robust and actionable view of the drivers, challenges and opportunities that characterise each of the 31 African markets included in the analysis," Mhlanga concludes.

# AFRICAN MARKETS PERFORMANCE

## AFRICA SOVEREIGN BOND INDICES (TOTAL RETURNS USD %)

Country	July	3-Month	1-Year
Botswana	0.04%	2.21%	11.02%
Egypt	0.31%	6.68%	-20.80%
Ghana	0.90%	-9.10%	-18.78%
Kenya	1.54%	9.43%	23.45%
Mauritius	1.98%	2.51%	1.35%
Morocco	1.21%	4.03%	7.22%
Namibia	5.41%	12.32%	11.54%
S&P/FMDQ Nigeria	-7.75%	-11.91%	-56.54%
South Africa	4.29%	14.14%	12.92%
Tanzania	-2.50%	0.02%	-9.45%
Uganda	1.92%	6.62%	7.91%
Zambia	-6.16%	6.68%	-1.55%

Source: S&P Dow Jones Indices

## AFRICA EQUITY INDICES (BMI GROSS TOTAL RETURNS USD %)

Country	July	3-Month	1-Year
Botswana	5.57%	12.43%	25.17%
Cote d'Ivoire	7.51%	21.31%	28.00%
Egypt	5.32%	18.06%	14.53%
Ghana	13.28%	7.92%	21.22%
Kenya	-2.85%	7.13%	19.15%
Malawi	11.03%	18.74%	-29.72%
Mauritius	2.33%	0.33%	9.35%
Morocco	8.17%	10.44%	16.21%
Namibia	0.65%	4.46%	6.46%
Nigeria	-9.97%	-10.87%	-40.00%
Rwanda	2.63%	8.93%	3.21%
South Africa	4.87%	15.23%	7.44%
Tanzania	1.44%	1.37%	10.48%
Tunisia	1.43%	8.20%	6.79%
Uganda	-2.39%	9.48%	24.81%
Zambia	-2.45%	23.52%	50.51%

Source: S&P Dow Jones Indices

## VENTURE MARKETS - VC and PE Deal Update

By Imara Asset Management

**A**frican startups had a record-breaking month in July 2024. They raised a whopping \$420 million, the most in over a year. A total of 47 ventures secured at least \$100,000 in funding last month. This makes July the second-best month of the year for the amount of deals closed.

Telecom Ticketmaster, the world's leading ticket marketplace, has acquired 11-year-old South African startup Quicket to expand its reach in Africa. Quicket's platform will be used to offer ticketing solutions for events of all sizes across the continent.

Risevest, a Nigerian fintech startup, is in talks to acquire Hisa, a Kenyan startup that provides access to US stocks, as part of its expansion strategy into Kenya. If successful, this acquisition would mark Risevest's second purchase following its acquisition of Chaka in 2023.

Egyptian fintech company MNT-Halan has raised \$157.5 million in capital, with \$40 million coming from the International Finance Corporation (IFC). The startup connects customers, vendors, and micro-enterprises, offering services like ride-hailing and logistics.

Flutterwave has secured a Payment Service Provider (PSP) license in Ghana. Flutterwave can now offer money transfers and support businesses with various payment solutions in Ghana.

OurPass, a former Nigerian e-commerce startup, has secured a microfinance banking licence to offer business banking services to large corporates. It wants to combine traditional banking stability with fintech-driven efficiency and customer experience.

Egyptian AI startup Synapse Analytics has raised \$2 million to expand its AI technologies for financial decision-making across Africa and the GCC region. The company wants to address financial inclusion issues by providing AI software for credit scoring, cross-selling, and other financial processes.

Lucky ONE, an Egyptian fintech, has raised \$3 million to grow its business. They plan to use the money to help more people get loans and expand to other countries. The consumer credit company wants to make it easier for people to borrow money, especially those without bank accounts.

# PRIVATE EQUITY FUNDS & DEALS

(as of the end of July 2024)

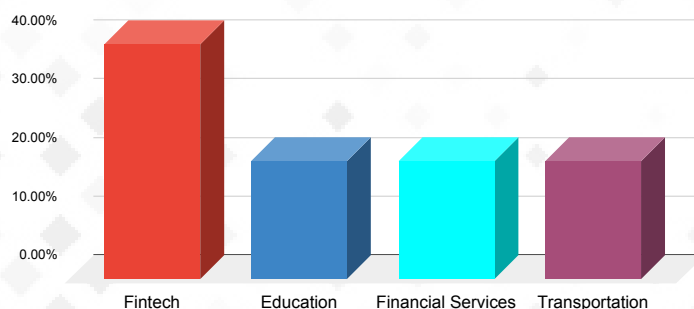
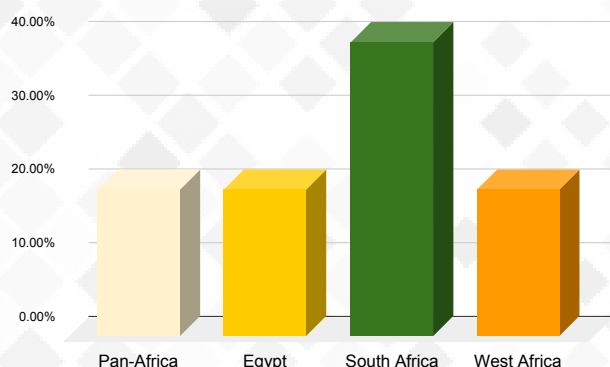
## DEALS

For more information on each transaction, visit Africa Global Funds's website

Company	Investment	Industry	Country	Deal Type	Deal Value
Adenia Partners	Air Liquide	Transportation	Pan-Africa	Buyout	Undisclosed
IFC// DPI // Lorax Capital Partners // Apis Partners // Lunate // GB Corp	MNT-Halan	Fintech	Egypt	Growth Capital	\$157.5m
PAPEfunds	Entersekt	Fintech	South Africa	Follow On	Undisclosed
Sanari Capital	EduLife Group	Education	South Africa	Follow On	R80m
Sango Capital	Synergy Private Equity Fund	Financial Services	West Africa	Buyout	Undisclosed

## DEALS BY INDUSTRY

### DEALS BY COUNTRY



## FUNDRAISING

Company	Fund	Geography	Style	Sectors	First Close	Final Close	Date Announced
Helios Investment Partners	Helios Climate, Energy Access, and Resilience (CLEAR) Fund	Pan-Africa	Buyout	Climate mitigation and adaptation	\$200m		July 31, 2024
Innovate Africa Fund	Innovate Africa Fund	Pan-Africa	Angel Capital	Sector agnostic			July 11, 2024
Metier	Metier Capital Growth Fund III	Sub-Saharan Africa	Growth Capital	Sectors that benefit from regional economic and demographic trends	\$182	\$219m	July 21, 2024
Oasis Capital Ghana	Oasis Africa Fund II	West Africa	Growth Capital	Education, healthcare, finance, housing & hospitality, and food services	\$33m		July 9, 2024

## EXITS

Company	Divestment	Industry	Geography	Buyer (s)	Nature of exit
Kasada	Ibis Douala	Hospitality	Cameroon	Christina Hotel	Trade Source: AGF

YTD (%)	1 Month	1 Year	3 Year	5 Year	AUM (\$m)	Strategy	Focus	Domicile	Type	Start
<b>337 Frontier Capital - Kimberlite Frontier Africa Fund (as-of 2024-07-31)</b>										
4.85	4	8.93	5.07	3.02		Equity	Africa ex-SA	Cayman Isl.	Open-End	06/14
<b>African Domestic Bond Fund (as-of 2024-07-31)</b>										
	0.5	-8	-27.5	-11.6		ETF - local currency FI	African region	Mauritius	Open-End	9/18
<b>African Lions Fund (as-of 2024-05-31)</b>										
11.57	4.68	9.24	31.49		26.15 (05/24)	Equity	SSA ex-SA	BVI	Open-End	10/20
<b>Allan Gray Africa Bond Fund (as-of 2024-07-31)</b>										
7.8		13.7	2.9	4.6	308.00 (07/24)	Fixed Income	Africa ex-SA	Bermuda	Open-End	3/13
<b>Allan Gray Africa ex-SA Equity Fund (as-of 2024-07-31)</b>										
-2.61	2.3	6.36	-1.87	5.68	404.00 (07/24)	Equity	Africa ex-SA	Bermuda	Open-End	1/12
<b>Commonwealth Africa Fund (as-of 2024-06-30)</b>										
7.39	9.79	13.51	-0.58	-0.56	3.48 (06/24)	Equity	African region	USA	Open-End	11/11
<b>Coronation Africa Frontiers Fund (as-of 2024-07-31)</b>										
17.85	5.29	4.96	-4.99	1.54	240.70 (05/24)	Equity	Africa ex-SA	Ireland	Unit Trust	10/08
<b>DWS Invest Africa (as-of 2024-08-27)</b>										
-4.95	2.46	4.62	-2.7	-2.74	25.61 (07/24)	Equity	African region	Luxembourg	SICAV	07/08
<b>EFG-Hermes MEDA Fund (as-of 2024-08-27)</b>										
5.46	1.17	12.05	18.2	14.13		Equity	Africa & Middle East	Bermuda	Open-End	12/11
<b>Enko Africa Debt Fund (as-of 2024-07-31)</b>										
13.33	-1.82	19.17	11.55	14.55	662.90 (07/24)	Fixed Income	Africa ex-SA	Mauritius	Open-End	10/16
<b>Fidelity Funds - Emerging Europe, Middle East and Africa Fund A (as-of 2024-08-27)</b>										
10.6	1.68	17.06	-14.05	-3.53	217.77 (07/24)	Equity	EMEA	Luxembourg	SICAV	06/07
<b>Imara African Opportunities Fund (as-of 2024-06-30)</b>										
-8.93	2.38	-14.27	-18.03	-8.33		Equity	African region	BVI	Open-End	06/05

**DISCLAIMER:** All data is provided "as is" for your information and personal use only, and is not intended for trading purposes or advice.

YTD (%)	1 Month	1 Year	3 Year	5 Year	AUM (\$m)	Strategy	Focus	Domicile	Type	Start
<b>Laurium Africa USD Bond Fund (as-of 2024-06-30)</b>										
6.9	-1.2	18.3			46.80 (06/24)	Fixed Income ex South Africa	African region	Ireland	UCITS	04/21
<b>Laurium Limpopo Master Fund (as-of 2024-07-31)</b>										
16.89	4.2	14.11	0.43	0.61	176.90 (07/24)	Equity	Africa ex-SA	Cayman Isl.	Open-End	01/14
<b>Mazi Capital Africa Fund (as-of 2024-07-31)</b>										
-9.72	0.5	-10.23	-11.48	-7.59		Equity	Africa ex-SA	South Africa	Open-End	01/16
<b>MCB Africa Bond Fund (as-of 2024-07-31)</b>										
	0.6	-13.1	-32.7	-23.7		Fixed Income	African region	Mauritius	Open-End	2/14
<b>Ninety One Premier - Africa Fund A (as-of 2024-07-31)</b>										
-11.41	-1.33	-29.11	-35.84	-24.62	0.48 (07/24)	Equity	African region	Guernsey	Open-End	01/07
<b>Old Mutual African Frontiers Flexible Income Fund (as-of 2024-08-27)</b>										
	-0.67				25.14 (07/24)	Fixed Income	African region	Ireland	OEIC	05/22
<b>Old Mutual African Frontiers Fund (as-of 2024-07-31)</b>										
20.27	4.71	9.39	-1.63	0.34	230.92 (04/24)	Equity	Africa ex-SA	Ireland	Open-End	5/10
<b>Sanlam Africa Equity Fund (as-of 2024-07-31)</b>										
9.55	4.03	0.38	-0.53	3.07		Equity	Africa ex-SA	Ireland	Open-End	07/15
<b>Silk Invest Emerging Africa Bond Fund (as-of 2024-02-29)</b>										
26.18					1.92 (02/24)	Fixed Income	African region	Mauritius	Open-End	09/16
<b>Steyn Capital Africa Fund (as-of 2024-07-31)</b>										
-5.38	1.06	-6.65	0.28	2.25	152.00 (06/24)	Equity	Africa ex-SA	Malta	SICAV	09/11
<b>Sustainable Capital Africa Alpha Fund (as-of 2024-07-31)</b>										
-4.98	-3.13	3.18	-0.82	4.38		Equity	Africa ex-SA	Mauritius	Open-End	02/12
<b>TCM Africa High Dividend Equity (as-of 2024-07-31)</b>										
-17.69	-0.95	-12.11	-11.22	-6.86	8.00 (12/23)	Equity	Africa ex-SA	Holland	Open-End	03/08
<b>T. Rowe Price Africa &amp; Middle East Fund (as-of 2024-07-31)</b>										
5.47	2.38	6.09	6.61	6.92	96.88 (07/24)	Equity	MENA & SSA	United States	Open-End	10/11

# DATA BREACHES AND THEIR FALLOUT FOR SOUTH AFRICAN ENTERPRISES



Data breaches are a chronic and growing menace for South African enterprises and consumers. Interconnected systems mean data breaches have become widespread threats, affecting millions. As businesses transition to digital platforms to improve efficiency and customer experience, **Carey van Vlaanderen, CEO of ESET Southern Africa**, says they inadvertently create more entry points for cybercriminals.

**I**nformation Regulator  
chairperson advocate

Pansy Tlakula says the organisation receives more than 150 data breach notifications a month. That's

compared to 2023 when Tlakula revealed that the country suffered about 56 data breaches a month. This surge is partly blamed on the over-processing of personal information and a general complacency towards cybersecurity among South Africans. Notable breaches include the TransUnion hack in 2022, where cybercriminal group N4ughtySecTU demanded a \$15m ransom after compromising 54 million personal records, including those of President Cyril Ramaphosa.

The economic impact of such cybercrime is profound, with the Council for Scientific and Industrial Research estimating annual financial losses of up to R2.2bn. The severe consequences of such breaches range from financial losses to significant reputational damage.

## CONSEQUENCES OF DATA BREACHES

**Financial Impact:** The financial repercussions of data breaches are often staggering. Businesses face direct costs such as fines imposed by regulatory bodies, legal fees associated with litigation, and expenses related to remediation efforts. For example, Equifax's 2017 data breach, which exposed the personal information of 147 million people, resulted in a \$575m settlement with the Federal Trade Commission. Indirect costs are equally significant. These include loss of business due to damaged reputation and customer trust. Studies show that businesses can lose up to 20% of their customers following a data breach, leading to substantial revenue declines.

**Operational Impact:** Data breaches disrupt business operations, often requiring immediate and extensive responses to contain the breach and mitigate damage. This disruption can affect service delivery, leading to customer dissatisfaction and further reputational harm. Long-term, businesses may need to shift strategic priorities, investing heavily in cybersecurity measures to prevent future incidents.

**Regulatory and Legal Impact:** Businesses must navigate complex regulatory landscapes post-breach. Compliance issues and regulatory penalties are common, as seen in the case of British Airways, which faced a £20m fine for a 2018 data breach under the General Data Protection Regulation (GDPR). Additionally, businesses may face legal

liabilities, including class-action lawsuits from affected customers.

## TAKE PROACTIVE STEPS

To protect themselves, businesses should use firewalls, encryption, and ensure that all software is up-to-date and patched against known vulnerabilities. Conduct regular security audits and penetration testing to identify and fix weaknesses in systems. Additionally, educating employees on cybersecurity best practices and how to recognise phishing attempts and other common attack vectors can significantly enhance your organisation's security posture.

Consumers can also take steps to protect themselves from data breaches. Using strong, unique passwords and enabling two-factor authentication (2FA) wherever possible adds an extra layer of security to your accounts. Be cautious with emails and links, avoiding clicking on suspicious links or downloading attachments from unknown sources to prevent phishing attacks. Regularly monitoring financial statements and credit reports for any unauthorized transactions or activities is also important for early detection and response to potential breaches.

## BUT WHAT IF IT'S ALREADY HAPPENED?

In the event of a data breach, businesses should take immediate action to contain the breach and assess the extent of the damage. Identifying compromised systems and data is crucial to prevent further unauthorised access. Develop a clear communication strategy to notify affected parties and stakeholders transparently and promptly, helping manage reputational damage and maintain customer trust. Implement long-term measures to improve security protocols, invest in employee training, and conduct regular security audits and updates to security systems to prevent future breaches.

Consumers affected by a data breach should take steps to protect their personal information. Monitor bank and credit card accounts for unusual activity and change passwords immediately, using strong, unique passwords for different accounts. Engage with credit bureaus to place fraud alerts and freeze credit to prevent unauthorised accounts from being opened in your name. Seek professional help by utilising identity theft protection services to monitor and mitigate the impact of the breach on your personal information.

Advocate Tlakula's remarks underscore the urgent need for enhanced cybersecurity measures and greater awareness among both enterprises and individuals. Take action today.

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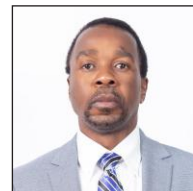
# BE PART OF IT!

## Sustainable and alternative investing high on the agenda as Institutional investors to convene in Rwanda

MNCapital Group, in partnership with various strategic institutions is convening key players in the investment space for the **8th Africa Investment Funds and Asset Management (AIFAM) Forum**, over period of three (3) days in the vibrant city of **Kigali, Rwanda**. Under the distinguished theme of **"Sustainable Finance and Alternative Investment Strategies for African Pension Funds,"** this forum promises to be an insightful gathering of industry leaders, policymakers, and experts dedicated to exploring innovative avenues for driving sustainable growth across the continent. Set against the backdrop of Africa's evolving financial landscape and the imperative for sustainable growth, this forum will serve as a pivotal platform for exploring innovative approaches to investment and asset management. This forum presents a unique opportunity to engage in strategic dialogues, share best practices, and forge partnerships that will shape the future of investment and asset management in Africa. We anticipate insightful discussions, invaluable networking opportunities, and actionable insights that will propel the African investment ecosystem forward.



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